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processes which underly them. The bookkeeping function of commercial banks is primary and fundamental and the amount of offsetting of credits on the books of a particular bank depends much more upon the character of the business of the bank's customers than it does upon the amount and sources of its reserves.

The second part of the book, entitled *Qualitative Aspects of Bank Credit*, includes a chapter in which are traced the changes since the Civil War in "the form of the bank borrower's obligation, the development of the note brokerage business, the rise of the bank credit department, the rise and expansion of the new business department, and the establishment and operation of the Federal Reserve system" (p. 123). This is followed by chapters in which is presented a "detailed analysis of the factors underlying and affecting the quality or soundness of bank advances" (p. 123). This part of the exposition centers about the typical credit statement of a borrower to his bank, and is based upon information derived from "correspondence and interviews with bankers and note brokers" and from "the Proceedings of the American Bankers Association, proceedings of the various state bankers associations, reports of the Comptroller of the Currency and banking periodicals." Professor Phillips has rendered a valuable service by digesting this material and rendering it available to students and bankers.

An appendix containing carefully thought out questions, exercises and problems and another containing forms of borrowers' statements recommended by the American Bankers Association and the report of its committee on credit forms adds to the usefulness of the book as a guide to students and a handbook for bankers.

WILLIAM A. SCOTT.

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#### NEW BOOKS

- BAGSHAW, J. F. G. *Practical banking. With chapters on currency* by C. F. HANNAFORD, and *bank bookkeeping* by W. H. PEARD. (London: King. 1921. 6s.)
- BARKER, J. R. K. *Inconvertible paper money*. (Cape-Town: Townshend, Taylor & Snastall. 1920. Pp. 27.)
- BARRAL, J. *L'étalon monétaire de la Société des Nations ou la mesure naturelle des valeurs et des prix*. (Nice: Imp. de l'Eclaireur. 1920.)
- BEAN, R. H. *Elements of trade acceptance practice*. (New York: American Acceptance Council. 1921. Pp. 16.)
- CHESSA, F. *Costo economico e finanziario della guerra*. (Roma: Athenaeum. 1920. Pp. 139.)
- COEYLAS, R. and DE TOMAZ, R. *Problèmes d'après-guerre*. (Paris: Giard. 1920. Pp. 278.)

COHN, A. W. *Kann das Geld abgeschafft werden?* (Jena: Fischer. 1920. Pp. 139.)

COURCELLE-SENEUIL, J. G. *Les opérations de banque, traité théorique et pratique.* Eleventh edition. (Paris: Alcan. 1920. Pp. 742. 25 fr.)

The new edition of this well known treatise contains summary accounts by Professor Liesse of the banking experience of various countries during the war. The discussion of monetary and banking principles has not been changed.

O. M. W. S.

DIEHL, K. and MOMBERT, P. *Zur Lehre vom Geld.* (Karlsruhe: Braun. 1920. 12 M.)

VON DUNGERN, F. *Die Entwertung des deutschen Geldes im internationalen Verkehr.* (Berlin: Sack. 1920. 3 M.)

ELSTER, K. *Die Seele des Geldes.* (Jena: Fischer. 1920. Pp. 370. 38 M.)

FISHER, E. D. *A study of prices.* (Detroit: Bank of Detroit. 1920. Pp. 16.)

FISHER, I. *The present chaos in monetary standards and how to deal with it.* (New Haven: The author. 1921. Pp. 32.)

HAHN, L. A. *Volkswirtschaftliche Theorie des Bankkredits.* (Tübingen: Mohr. 1920. 16 M.)

HAMLIN, C. S. *Index-digest of the Federal Reserve Bulletin, 1915-1920.* (Washington: Federal Reserve Board. 1921. \$2.)

HARE, L. *Currency and prices.* (London: King. 1920. Pp. 74. 2s. 6d.)

"I would fix the value of the currency unit upon as many items of goods and services as possible and not only upon gold; then I would apply statistics of prices to a use to which they have not yet been directly put, to construct a valometer."

HAUPTMANN, M. *Le rôle de l'étalon monétaire dans la crise actuelle.* (Louvain: Imp. Ceuterick. 1921.)

KAULLA, R. *Die Grundlagen des Geldwerts.* (Stuttgart: Deutsche Verlagsanstalt. 1920. Pp. 96.)

KAWASHIMA, S. *The abolition of money.* (Tokyo: The Niyu-sha. 1921.)

KERSCHAGL, R. *Die Währungstrennung in den Nationalstaaten.* (Vienna: Manz. 1920. Pp. 56.)

KNIFFEN, W. H. *The business man and his bank.* (New York: McGraw-Hill. 1920. Pp. xii, 278.)

The purpose of this book is to explain the bank as it appears "to the man who stands before the counter screen." The approach from the customer's point of view leads to chapters on the choice of a bank, how to endorse a check, how to protect a check against forgery, the methods of check collection, and how to read a bank statement. The book is evidently intended for those who are opening an account for the first time, and its usefulness is limited to that purpose.

W. W. S.

KOEHLER, G. *The passing of the gold reserve.* (Washington: Importers First Aid Service. 1920. Pp. 87.)

The author has reached the conclusion that the gold reserve is not worth the cost of maintenance. He proposes, therefore, that the free coinage of gold be discontinued, and that legal tender treasury notes, unsupported by a gold reserve, be issued to meet all domestic currency needs. The quantity of these notes is to be limited to the fiscal requirements of the government and their value maintained by their use in tax payments. The gold of the country may then become a fund for settling adverse trade balances. This, in outline, is the familiar argument of greenbackism. While it shows no acquaintance with the functions to be performed by a monetary system resting upon a gold reserve, it does come near describing the currency systems actually prevailing in the leading commercial countries of the world today.

W. W. S.

KUCZYNSKI, R. *Schulden, Steuern und Valuta*. (Berlin: Engelmann. 1920. 3 M.)

KUHRT, J. W. *A counting house dictionary*. (New York: Dutton. 1921.)

LANGSTON, L. H. and WHITNEY, N. R. *Banking practice*. (New York: Ronald. 1921.)

LANZILLO, A. *Lo stato e la crisi monetaria e sociale post-bellica*. (Milano: Treves Fratelli. 1920. 4 L.)

LAWRENCE, F. W. P. *Why prices rise and fall*. (New York: Oxford Univ. Press. 1921. Pp. 64. \$1.)

LAYTON, W. T. *An introduction to the study of prices*. (New York: Macmillan. 1920.)

LITMAN, S. *Prices and price control in Great Britain and the United States during the world war*. Carnegie Endowment for International Peace. Preliminary Economic Studies of the War, no. 10. (New York: Oxford Univ. Press. 1920. Pp. ix, 331.)

Perhaps there is no subject connected with the great war which attracts attention so universal and so enduring as the subject of prices and the cost of living. This monograph of Professor Litman's gathers the pertinent facts into a statement that makes convenient a comparison between the experiences of Great Britain and the United States.

The author's chief concern has been the assembling and organization of the data to be found in official documents and other contemporary publications. He lets actors in the great drama speak for themselves and avoids any extended exposition or comment. The work abounds with footnote references which make it possible for the reader to expand the study as he may wish to do. Topics which have common application to American and British experience have been discussed in connection with the study of British prices and are not repeated in part II. Among these topics are profiteering, inflation, and industrial unrest. In other respects the two countries are treated separately. The reader is reminded that this is a preliminary study and confessedly incomplete. Much remains to be said on the theoretical aspects of price control, also on the effect of government purchase on civilian consumption and the shift of demand as the result of patriotic appeal.

The author has been careful to present both sides of disputed questions like the causes and effects of inflation, the effect of profiteering on prices.

In doing this, however, he has not left the reader in the dark regarding his own opinion. He evidently regards the inflation of credit as very important, while profiteering is thought to have had little, if any, effect on the general level.

MURRAY S. WILDMAN.

LOEWY, A. *Mathematik des Geld- und Zahlungsverkehrs*. (Leipzig: Teubner. 1921. Pp. viii, 273. 11 M.)

LOTZ, W. *Das Papiergeld unter besonderer Berücksichtigung der heutigen deutschen Valutafrage*. Volkswirtschaftliche Zeitfragen, no. 311-12. (Berlin: Simion. 1920. Pp. 56. 6 M.)

LÜTTKE, H. *Valuta und Weltwährung*. (Berlin: Vobach. 1921. Pp. 31. 2.50 M.)

MATHEWSON, P. *Acceptances, trade and bankers'*. (New York: Appleton. 1921. Pp. xiv, 372.)

MEYER, H. *Wesen und Lehre der Geldkrisen*. (Zürich: Bopp. 1920. 12 M.)

MILLER, J. O. *High prices and the quantity theory*. (London: Sifton, Praed. 1920. Pp. 86.)

VON ZUR MÜHLEN, L. *Die Oelschiefer des europäischen Russlands*. Ost-europa-Institut, Quellen und Studien, vol. III, no. 4. (Leipzig: Teubner. 1920. Pp. 31.)

OBST, G. *Wechsel- und Scheckkunde*. (Stuttgart: Poeschel. 1920. Pp. x, 144. 9 M.)

———. *Das Bankgeschäft*. (Stuttgart: Poeschel. 1920. 62.50 M.)

POHLE, L. *Geldentwertung, Valutafrage und Währungsreform*. (Leipzig: Deichert. 1920. Pp. 56. 3 M.)

SHIRRAS, G. F. *Some effects of the war on gold and silver*. (London: Royal Statistical Society, 9 Adelphi Terrace. 1920. Pp. 56.)

SINGER, R. *Das Geld als Zeichen*. (Jena: Fischer. 1920. Pp. vi, 206.)

SNELL, G. B. *Currency exchange tables*. (Montreal: Thomas V. Bell. 1920. Pp. 43.)

The compilation was made by the head office staff of the Bank of Montreal. The tables run from 1/64 per cent to 1 per cent advancing by sixty-fourths and from 1 1/32 per cent to 10 per cent advancing by five thirty-seconds. There are also tables showing the relation between premium on United States funds in Canada and the discount on Canadian funds in the United States, 1/16 per cent to 24 per cent advancing by sixteenths.

ST. CLAIR, O. *The physiology of credit and money*. (London: King. 1919. Pp. 170.)

This is a rambling argument about the circulation of money, the relation of credit to prices, and the connection between circulating capital and income. Mechanical analogies, illustrated by diagrams, are used as substitutes for causal analysis. The chief point in the author's theory of price determination is the importance assigned to retail market, "where the values of goods are ultimately determined." Since the retail market is a

cash market, the argument is that credit can affect prices only indirectly; credit cannot raise prices, though it may prevent them from falling.

W. W. S.

STEINER, F. G. *Die Banken und der Wiederaufbau der Volkswirtschaft.* (Vienna: Manz-Verlag. 1920. Pp. 93. 3 M.)

STEINER, W. H. *Some aspects of banking theory.* (New York: W. D. Gray, 106 Seventh Ave. 1920. Pp. 158.)

This is an attempt to present in concise form the fundamentals of the institution of banking, considered as a "specialized technique in the supply of capital." The method of treatment is so abstract, even for a statement which aims at theoretical formulation, as to leave the argument greatly rarefied. This absence of concrete data limits the usefulness of the book as an introductory explanation of banking processes. The effort to get below the psychological and pecuniary level to what the author regards as the real phenomena of credit results in a type of theory the main purpose of which appears to be the arrangement of concepts into a logical system. It is primarily a search for a body of banking principles and only secondarily a consideration of the effectiveness of banking policies.

When so human an affair as banking is reduced to logical ultimates the danger is that the thought may be carried out of touch with those practical problems of credit control which give meaning to banking theory. A definition of banking is quoted from Willis which implies this approach to theory from the viewpoint of actual problems,—problems of "measuring and testing credit and determining its apportionment." In this conception the institution of banking has definite administrative functions to perform, and the task for the theorist is, in view of these functions, to determine the effectiveness of the banking policies actually pursued. It is the absence of this sense of something to be done and the testing of its accomplishment which keeps Mr. Steiner's presentation of banking principles from being a realistic theory of banking. WALTER W. STEWART.

STUART, G. M. V. *Inleiding tot de leer der waardeverstheid van het geld.* (The Haag: Nijhoff. 1919. Pp. 188.)

SUPINO, C. *La carta moneta in Italia.* (Bologna: Zanichelli. 1921.)

SÜSS, G. *Das Geldwesen im besetzten Frankreich.* (München: Drei Masten-Verlag. 1920. Pp. 181.)

VALOIS, G. *La monnaie saine tuera la vie chère.* (Paris: Nouvelle Librairie Nationale. 1920. Pp. 120.)

VISSERING, G. *Muntwezen en circulatiebanken in Nederlandsch Indie.* (Amsterdam: De Bussy. 1920. 10 Fl.)

WHITE, B. *The currency of the great war.* (London: Waterlow. 1921. 10s.)

WILLIS, H. P. *Principles of banking.* (New York: Harper. 1921.)

*Bank and public holidays throughout the world.* (New York: Guaranty Trust Co. 1921. Pp. 160.)

*Changes in the cost of living, July, 1914-November, 1920.* Research report no. 33. (New York: Nat. Indus. Conf. Board. 1920. Pp. 29.)

*La circulation fiduciaire et le marché monétaire en Italie pendant et après la guerre.* (Roma: Banque d'Italie. 1920.)

*Proceedings of the Arizona Bankers' Association, vol. XIV, seventeenth annual session.* (Prescott: Morris Goldwater, Secretary. 1920. Pp. 133.)

*Proceedings of the ninth annual convention of the Investment Bankers Association of America.* (Chicago: Frederick A. Fenton, Secretary, 111 West Monroe Street. 1920. Pp. 285.)

Contains: Report of the committees on public service securities, pp. 116-131; Present public utility problems, by C. D. Jackson, pp. 132-145; Report of the industrial securities committee, pp. 153-166; Report of the municipal securities committee, pp. 167-173; Report of the committee on railroad securities, pp. 177-188; Report of the committee on syndicate agreements, pp. 189-205; "Transportation act, 1920," in its relation to railway securities, by Robert Walker, pp. 223-237.

*Standards of living: a compilation of budgetary studies.* (Washington: Bureau of Applied Economics. 1920. Pp. iv, 156.)

This volume is a revised expansion of the previous compilations of studies of living costs made by the Bureau of Applied Economics in 1918 and 1919. It contains summaries or abstracts of the nineteen most important attempts to fix the family budget. The first article is the 1920 "quantity budget" of the United States Bureau of Labor Statistics; the pioneer money budgets of Chapin and Moore are in the later pages.

The compilation is so well done that the serious student can obtain a comprehensive understanding of the principles and the methods of the various budgetary investigations. It makes it comparatively easy for a social worker in any city to determine the cost of living in his community. Indeed, the book is an invaluable tool for any one interested in standards of living and living costs.

F. H. S.

*Survey of cost of living in Waterbury, March 1919-March, 1920.* (Waterbury: Chamber of Commerce. 1920. Pp. 24.)

*Tate's modern cambist.* Twenty-sixth edition. Edited by H. T. EASTON. (London: Wilson. 1921.)

*Trust companies of the United States.* 1920 edition. (New York: U. S. Mortgage & Trust Co. 1920. Pp. xxxix, 619.)

As usual contains complete returns, maintaining the high standard of the series.

### Public Finance, Taxation, and Tariff

*Tax Procedure, 1921.* By ROBERT M. MONTGOMERY. (New York: Ronald Press Company. 1921.) Vol. I, *Federal Income Tax Procedure, 1921.* (Pp. xii, 1,206. \$8.00.) Vol. II, *Federal Excess Profits Tax Procedure, 1921.* (Pp. vi, 594, \$4; Volumes I and II together \$10.) Vol. III, *New York State Income Tax Procedure, 1921 (Including Corporation Franchise Tax).* (Pp. ix, 682. \$5.00.)

Of the making of income tax rulings there is no end. Hence there